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BEFORE THE BOARD OF OIL GAS, AND MINING DEPARTMENT OF NATURAL RESOURCES STATE OF UTAH SECRETARY, BOARD OF OIL, GAS & MINING

In the Matter of the Request for Agency Action by Barrick Resources (USA) and Barrick Gold Corporation, Requesting Partial Release of Surety for Mining and Reclamation Plan ACT/045/017 **Amended Petition**

Docket No.2004-022

Cause No. M/045/017

On December 2, 2004, Petitioners Barrick Resources (USA) and Barrick Gold Corporation (collectively "Barrick"), by and through their attorneys, Parsons Behle & Latimer, and the Division of Oil, Gas and Mining, through its counsel Steven F. Alder, Assistant Attorney General, pursuant to Rule R641-104-240 submitted to the Utah Board of Oil, Gas & Mining ("Board") a Joint Motion to Amend Petition, Submit Additional Exhibits, and Continue Hearing in the matter of the Petition of Barrick Resources (USA) and Barrick Gold Corporation Requesting Partial Release of Surety for Mining and Reclamation Plan ACT/045/017 for the Mercur Mine (the "Plan"). The Board granted the joint motion by Order dated December 16, 2004.

Petitioners Barrick Resources (USA) and Barrick Gold Corporation hereby submit this Amended Petition to the Utah Board of Oil, Gas and Mining for partial release of the reclamation obligations of and the financial surety posted in connection with the Mining and Reclamation Plan ACT/045/017 for the Mercur Mine (the "Plan"). In support of this petition, Barrick states as follows:

STATEMENT OF MATERIAL FACTS

- Barrick Resources is the owner of the Barrick Mercur Mine ("Mercur") in Tooele
 and Utah Counties, Utah. Commercial operations at Mercur ceased in 1988.
 Reclamation activities began prior to cessation of commercial operations and
 continue to the present.
- 2. Barrick Gold Corporation ("Barrick Gold") is the parent company of Barrick Resources.
- 3. As financial assurance for the reclamation work required under the Plan, Barrick Resources and Barrick Gold entered into a Self-Bonding and Indemnity Agreement (the "Bonding Agreement") with the Board of Oil, Gas and Mining dated as of February 2, 1998, in the amount of \$8,509,500.
- 4. Barrick Resources and Barrick Gold also entered into a Reclamation Contract with the Board dated as of February 26, 1998.
- 5. The Reclamation Contract provides for a partial release of surety. Section 6 of the Reclamation Contract states:

If reclamation of discrete sections of the Disturbed Area is completed to the satisfaction of the Division, and the Division finds that such sections are severable from the remainder of the Disturbed Area, Operator may request the Division to certify that Operator has reclaimed such discrete sections of the Disturbed Area in accordance with the Act and implementing rules, the Notice of Intention, a s amended and the Reclamation Plan, as amended. If the Division makes such certification, Operator may request to the (Board) that the aggregate face amount of the Surety Contract provided pursuant to

paragraph 2 be reduced to an amount necessary to provide for completion of the remaining reclamation. The (Board) shall hear Operator's request for such reduction in accordance with the Board's Procedural Rules concerning requests for Agency Action.

6. The Bonding Agreement also provides for partial release of the financial surety.

Section 4 of the Bonding Agreement states:

Upon successful completion of part of all of the obligations secured hereby, the Operator may petition the Board for a final release of part of all of the obligations under the Agreement. Up on such petition, the Division shall conduct an inspection to ascertain whether duties and obligations of the Operator under the Act, the applicable rules and the Permit have been fulfilled. If it is determined that such duties and obligations have been fulfilled, the Board shall release the Operator from part of all of is obligations under this Agreement and shall file a notice of such release in the property records of Tooele and Utah Counties, Utah.

- 7. In accordance with Section 6 of the Reclamation Contract and Section 4 of the Bonding Agreement, on October 21, 2004, Barrick submitted to the Division of Oil, Gas and Mining (the "Division") an "Application and Request for Partial Release of Surety Mining and Reclamation Plan ACT/045/017." This application was docketed as No. 2004-22. Petitioners subsequently filed a Request for Agency Action on November 5, 2004 together with a Motion for Enlargement of time to file the Request for Agency Action. Exhibits and additional copies as required by Rule R641-104-200 were filed with the Request and provided to the Division.
- 8. At Barrick's request, Cedar Creek Associates, Inc. (Cedar Creek) inspected the property and evaluated site conditions. Based on Cedar Creek's site evaluation, as described in the report attached to this Amended Petition as Appendix C, Barrick

seeks release of its reclamation obligations with respect to 775.3 acres of land and release of \$3,743,148 of the existing surety. The lands for which Barrick is seeking release are depicted as "Reclaimed, Seeking Release" on the drawing attached to this Amended Petition as Appendix E.

- 9. An inspection of the property, as provided in Section 4 of the Bonding Agreement, was conducted by the Division during the summer of 2004.
- 10. Barrick understands that at or before the Board's meeting scheduled for January 26, 2005, the Division will certify, in accordance with the Reclamation Contract, that Barrick has reclaimed those areas delineated as "Reclaimed, Seeking Release" on Appendix E.
- 11. In accordance with R641-105-100, Barrick hereby provides a list of names and last known addresses of persons whose legally protected interest may be affected by this Request.

Geyser Marion Gold Mining Company Sacramento Gold Mining Company 4198 Blandon Road Eugene, Oregon 97405

Mr. Rolland P. Crane 2935 Broadmoor Drive South East Rio Ranch, NM 87124

Snyder Mines Inc. 3745 South 3100 East Salt Lake City, Utah 84109

- 12. In support of this request, Barrick previously submitted the following documents:
 - a. Application and Request for Partial Release of Surety, Mining and Reclamation Plan ACT/045/017, Barrick Gold Corporation and Barrick Resources (USA), submitted to the Division of Oil, Gas and Mining on October 21, 2004.
 - b. Appendix A Barrick Resources (USA), Inc. and Barrick Gold Corporation and the Board of Oil, Gas and Mining Self-Bonding and Indemnity Agreement, February 2, 1998.
 - c. Appendix B Barrick Resources (USA), Inc. and Barrick Gold Corporation and the Board of Oil, Gas and Mining Reclamation Contract, February 26, 1998.
 - d. Appendix C 2004 Revegetation Surety Release Evaluation, Cedar Creek
 Associates, Inc. October 2004.
 - e. Appendix D Barrick Mercur Mine Photographic Documentation and Narrative.
- 13. Barrick requests that the previously submitted Appendices A, B, C (as amended by the replacement pages identified in paragraph 14), and D be incorporated into this Amended Petition by reference.
- 14. In further support of this Amended Petition, and pursuant to the Joint Motion to Amend Petition, Submit Additional Exhibits, and Continue Hearing submitted to

the Board by Barrick and the Division on December 2, 2004, Barrick submits the following documents:

- a. Appendix C Two (2) revised pages to be inserted into the 2004 Revegetation Surety Release Evaluation, Barrick Mercur Mine, Prepared for: Barrick Mercur Gold Mine, Salt Lake City, Utah, Prepared by: Cedar Creek Associates, Inc., Fort Collins, Colorado, October 2004, REVISED December 2004.
- b. Appendix E Mercur General Site Plan, Revised 2004, Proposed Surety Release Areas (Contours), Golder Associates, Denver, Colorado, Rev. C.
- c. Appendix F Mercur General Site Plan, Revised 2004, Proposed Surety Release Areas (Infrared), Golder Associates, Denver, Colorado, Rev. C.

REQUEST FOR RELIEF

BARRICK RESPECTFULLY PRAYS FOR THE FOLLOWING

In accordance with the Reclamation Contract, the Bonding Agreement, and the applicable laws and regulations, Barrick requests that the Board:

- 1. Grant a partial release of Barrick's reclamation obligations with respect to the 775.3 acres of land depicted on Appendix E as "Reclaimed, Seeking Release";
- 2. Grant a partial release of Barrick's surety in the amount of \$3,743,148;
- 3. Amend the Reclamation Contract and Bonding Agreement, and take such other actions as are necessary, to effect the partial release of Barrick's reclamation obligations and surety; and

4. Grant such other relief as the Board deems appropriate and just.

Respectfully submitted this 22 day of December, 2004.

PARSONS BEHLE & LATIMER

im Butler

Otah Bar #5046

Attorney for Barrick Resources (USA) and

Barrick Gold Corporation

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